

Message Text

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SUBJECT: OLYMPIC TWINJET PURCHASE: EVALUATING COMMITTEE'S

RECOMMENDATION OF BOEING 737 MADE PUBLIC

1. ON JULY 23, GREEK DAILY ELEFOTHEROTYPIA (LEFT OF CENTER, ANTI-U.S.) CARRIED FRONT PAGE ITEM ACCUSING BRITISH OF PRESSURE TACTICS IN COMPETITION OF SUPPLY OLYPMIC WITH FIVE NEW TWINJET AIRCRAFT. NEWSPAPER ALLEGED BRITISH BLACKMAIL WITH REGARD TO GREECE'S EEC ENTRY AND PAYMENTS OF DOLS 10 MILLION OF BAC ONE-ELEVEN PURCHASE PRICE THROUGH GREECE'S CLEARING ACCOUNT WITH YUGOSLAVIA. THERE WAS ALSO A CONFUSING REFERENCE TO LOCKHEED. APPARENTLY IN RESPONSE TO THIS, MINISTER OF COORDINATION PAPALIGOURAS ISSUED THE FOLLOWING STATEMENT QUOTE

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A. OLYMPIC AIRWAYS HAS NOT CONSIDERED AND IT IS NOT

CONSIDERING BUYING AIRCRAFT FROM LOCKHEED. NO NEGOTIATIONS OR DISCUSSIONS HAVE THEREFORE BEEN HELD WITH THIS COMPANY.

B. OLYMPIC AIRWAYS HAS PREPARED A FIVE-YEAR PROGRAM TO MEET INCREASED PASSENGER TRAFFIC REQUIREMENTS FOR THE YEARS 1976-1980. ACCORDING TO THIS PROGRAM, THE PROCUREMENT OF FOUR TWIN-ENGINE 120 SEAT AIRCRAFT IN 1976 AND ONE SUCH AIRCRAFT IN 1977 IS OF ABSOLUTE PRIORITY.

C. DURING THE RECENT MEETING HELD UNDER THE CHAIRMANSHIP OF THE PRIME MINISTER, THE MINISTER OF TRANSPORT AND COMMUNICATIONS OUTLINED TO THE PRIME MINISTER AND MYSELF THIS PROGRAM WHICH WAS APPROVED IN PRINCIPLE.

D. THERE ARE THREE FIRMS IN THE WORLD WHICH MANUFACTURE THE AIRCRAFT OF THE CATEGORY PROPOSED FOR 1976: (A) BOEING, (B) MCDONNELL DOUGLAS, AND (C) BRITISH AIRCRAFT CORPORATION.

E. ALL THE MANUFACTURING FIRMS HAVE SUBMITTED PROPOSALS.

F. THE EVALUATION OF THE BIDS WAS MADE BY A COMMITTEE SPECIALLY DESIGNATED BY THE MINISTER OF TRANSPORT, CHAIRED BY MAJ. GEN. ELIAS DEROS, GOVERNOR OF CAA. THE OTHER MEMBERS ARE, GREEK AIR FORCE BRIG. GEN. A. ANTHIDAS; AIR FORCE COL. E. SOUKOULIS; AIR FORCE COL. AR. PASALAKOS; EVANGELOS ELIADIS, COUNSELOR-DIRECTOR OF BANK OF GREECE; A. APOSTOLOU, SPECIAL ADVISER MINISTER OF FINANCE; ALEXANDER FISHER, AERONAUTICAL ENGINEER, DIRECTOR CAA; EM. GAKIDIS, OLYMPIC PILOT; AND PERICLES ALAMARAS, AERONAUTICAL ENGINEER AND TECHNICAL DIRECTOR OF OLYMPIC. THIS COMMITTEE SUBMITTED ITS UNANIMOUS FINDS IN FAVOR OF BOEING 737 ON JANUARY 10, 1976.

G. THE ADMINISTRATIVE BOARD OF OLYMPIC AIRWAYS HAS NOT YET REVIEWED THE FINDINGS OF THE COMMITTEE. THE MINISTER OF TRANSPORT, AFTER STUDYING THE CASE FILE, WILL INTRODUCE THE MATTER TO THE GOVERNMENTAL COMMITTEE OF ECONOMIC MINISTERS, IN ACCORDANCE WITH ARTICLE 7, PARA.1 OF LAW 96/1975.

H. THERE IS NO OBLIGATION OR COMMITMENT ON THE LIMITED OFFICIAL USE

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PART OF OLYMPIC TO PURCHASE ANY OF THE ABOVE TYPES (OF AIRCRAFT).

I. NO PRESSURE WHATSOEVER HAS BEEN EXERTED ON THE GREEK GOVERNMENT, NO COULD IT BE EXERTED, ON THE PART OF A GOVERNMENT OF ANY FOREIGN COUNTRY, FOR THE PROCUREMENT OF AIRCRAFT FROM THE RESPECTIVE COUNTRY." END QUOTE.

2. COMMENT: IT APPEARS, ONCE THE ADJECTIVES ARE
CLEARED AWAY, THAT "ELEFOTHEROTYPIA" HAS MANY OF ITS
FACTS STRAIGHT, EXCEPT FOR THE REFERENCE TO LOCKHEED.
IN ANY EVENT, THE ARTICLE HAD THE SALUTORY EFFECT OF
EXTRACTING A PUBLIC ANNOUNCEMENT OF THE UNANIMOUS
FINDINGS OF AIRCRAFT EVALUATION COMMITTEE, WHICH MAY
MAKE IT MORE DIFFICULT TO OVER-RULE THE RECOMMENDATION
FOR BOEING.
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